

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

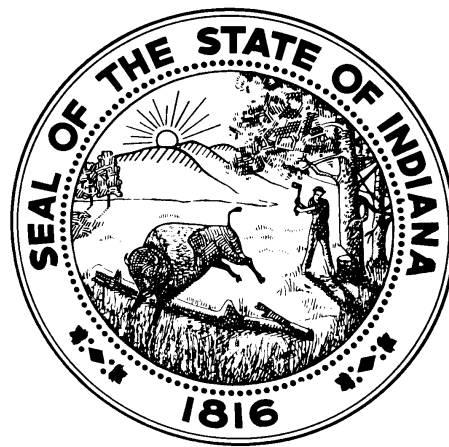
EXAMINATION REPORT

OF

TOWN OF ATLANTA

HAMILTON COUNTY, INDIANA

January 1, 2006 to December 31, 2007



FILED
11/12/2008

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Robyn Emmert	01-01-04 to 12-31-11
President of the Town Council	John A. Evans Steven A. Emmert	01-01-06 to 12-31-07 01-01-08 to 12-31-08
Superintendent of Utilities	Fred Farley Chris Keeslar Vacant David Baker Vacant Clinton G. Jones	01-01-06 to 06-11-07 06-12-07 to 06-26-07 06-27-07 to 06-30-07 07-01-07 to 02-09-08 02-10-08 to 03-07-08 03-08-08 to 12-31-08



STATE OF INDIANA

AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF ATLANTA, HAMILTON COUNTY, INDIANA

We have examined the financial information presented herein of the Town of Atlanta (Town), for the period of January 1, 2006 to December 31, 2007. The Town's management is responsible for the financial information presented herein. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the financial information presented herein and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the financial information referred to above presents fairly, in all material respects, the financial information of the Town for the years ended December 31, 2006 and 2007, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

The Schedule of Long-Term Debt, as listed in the Table of Contents, is presented for additional analysis and is not a required part of the basic financial information. It has not been subjected to the examination procedures applied to the basic financial information and, accordingly, we express no opinion on it.

STATE BOARD OF ACCOUNTS

October 16, 2008

TOWN OF ATLANTA
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL, PROPRIETARY, AND FIDUCIARY FUND TYPES
As Of And For The Years Ended December 31, 2006 And 2007

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
General	\$ 45,990	\$ 211,328	\$ 178,292	\$ 79,026
Motor Vehicle Highway	42,083	26,701	48,157	20,627
Local Road and Street	40,837	11,303	42,321	9,819
Park and Recreation	78,810	23,649	23,801	78,658
Festival Fund	40,622	57,046	80,818	16,850
Fire Truck Matching Fund	40,923	6,180	939	46,164
Law Enforcement Continuing Education	1,574	407	546	1,435
Police Festival	7,238	7,673	8,279	6,632
Building Fund	33	-	33	-
Levy Excess	3,383	-	3,383	-
Cumulative Capital Improvement	5,192	2,718	5,000	2,910
Proprietary Funds:				
Water Utility - Operating	114,846	190,995	163,526	142,315
Water Utility - Bond and Interest	1,449	45,600	44,122	2,927
Water Utility - Depreciation	11,562	1,200	-	12,762
Water Utility - Customer Deposit	16,696	3,375	5,745	14,326
Water Utility - Reserve	10,650	-	-	10,650
Water Utility - Well Head Protection	-	21,126	-	21,126
Water Utility - Construction	38	-	38	-
Wastewater Utility - Operating	28,768	95,152	102,665	21,255
Wastewater Utility - Bond and Interest	29,547	15,900	13,901	31,546
Wastewater Utility - Depreciation	6,510	1,200	-	7,710
Wastewater Utility - Reserve	5,413	1,416	-	6,829
Wastewater Utility - Sewer CD	7,351	224	224	7,351
Fiduciary Fund:				
Payroll	5,157	143,534	143,576	5,115
Totals	<u>\$ 544,672</u>	<u>\$ 866,727</u>	<u>\$ 865,366</u>	<u>\$ 546,033</u>

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
General	\$ 79,026	\$ 174,051	\$ 167,803	\$ 85,274
Motor Vehicle Highway	20,627	25,058	8,281	37,404
Local Road and Street	9,819	11,036	608	20,247
Park and Recreation	78,658	12,127	5,050	85,735
Festival Fund	16,850	58,527	48,940	26,437
Fire Truck Matching Fund	46,164	8,550	-	54,714
Law Enforcement Continuing Education	1,435	1,011	557	1,889
Police Festival	6,632	8,917	6,030	9,519
Levy Excess	-	261	-	261
Cumulative Capital Improvement	2,910	2,673	-	5,583
Proprietary Funds:				
Water Utility - Operating	142,315	149,826	165,345	126,796
Water Utility - Bond and Interest	2,927	44,400	44,518	2,809
Water Utility - Depreciation	12,762	1,200	-	13,962
Water Utility - Customer Deposit	14,326	2,100	1,487	14,939
Water Utility - Reserve	10,650	16,380	-	27,030
Water Utility - Well Head Protection	21,126	2,484	-	23,610
Wastewater Utility - Operating	21,255	95,104	86,334	30,025
Wastewater Utility - Bond and Interest	31,546	15,900	11,148	36,298
Wastewater Utility - Depreciation	7,710	1,200	-	8,910
Wastewater Utility - Reserve	6,829	1,416	-	8,245
Wastewater Utility - Sewer CD	7,351	280	280	7,351
Fiduciary Fund:				
Payroll	5,115	145,462	142,580	7,997
Totals	<u>\$ 546,033</u>	<u>\$ 777,963</u>	<u>\$ 688,961</u>	<u>\$ 635,035</u>

The accompanying notes are an integral part of the financial information.

TOWN OF ATLANTA
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

The Town was established under the laws of the State of Indiana. The Town provides the following services: public safety, highways and streets, culture and recreation, general administrative services, water, and wastewater utilities.

Note 2. Fund Accounting

The Town uses funds to report on its cash and investments and the results of its operations on a cash basis. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities.

Note 3. Budgets

The operating budget is initially prepared and approved at the local level. In addition, funds for which property taxes are levied or highway use taxes are received are subject to final approval by the Indiana Department of Local Government Finance.

Note 4. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the Town in June and December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance).

Note 5. Deposits and Investments

Deposits, made in accordance with Indiana Code 5-13, with financial institutions in the State of Indiana at year end were entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statute (IC 5-13-9) authorizes the Town to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

TOWN OF ATLANTA
NOTES TO FINANCIAL INFORMATION
(Continued)

Note 6. Pension Plan

Public Employees' Retirement Fund

Plan Description

The Town contributes to the Indiana Public Employees' Retirement Fund (PERF), a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the PERF Board, most requirements of the system, and give the Town authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3% of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

PERF administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Public Employees' Retirement Fund
Harrison Building, Room 800
143 West Market Street
Indianapolis, IN 46204
Ph. (317) 233-4162

Funding Policy and Annual Pension Cost

The contribution requirements of the plan members for PERF are established by the Board of Trustees of PERF.

Note 7. Subsequent Event

On January 9, 2008, the Town entered into a new lease-purchase agreement for a 2007 Toyne Pumper/Tanker Fire Truck in the amount of \$198,900. The lease has a 15 year term.

TOWN OF ATLANTA
SUPPLEMENTARY INFORMATION
SCHEDULE OF LONG-TERM DEBT
December 31, 2007

The Town has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Business-type Activities:		
Water Utility		
Revenue bonds:		
Water Tower and Plant	\$ 37,000	\$ 11,292
Loan Payable:		
SRF - Water Tower and Plant	560,000	32,167
Total Water Utility	597,000	43,459
Total business-type activities debt:	\$ 597,000	\$ 43,459

TOWN OF ATLANTA EXAMINATION RESULTS AND COMMENTS

OFFICIAL BOND

The Clerk Treasurer's official bonds for the period of April 24, 2005 to April 24, 2006 and April 24, 2007 to April 24, 2008, were not filed in the Office of the County Recorder.

Indiana Code 5-4-1-5.1(b) states in part: "Every elected or appointed officer, official, deputy, or employee of a political subdivision . . . shall file the bond in the office of the county recorder. . . ."

DEPOSITS

In numerous instances, receipts were deposited later than the next business day.

Indiana Code 5-13-6-1(d) states: "A city (other than a consolidated city) or a town shall deposit funds not later than the next business day following the receipt of the funds in depositories (1) selected by the city or town as provided in an ordinance adopted by the city or the town; and (2) approved as depositories of state funds."

CAPITAL ASSET RECORDS

The Town, Water Utility, and Wastewater Utility do not maintain adequate capital asset records with detail of additions and disposals. A similar comment appeared in the prior Report B26728.

Every governmental unit should have a complete inventory of all capital assets owned which reflects their acquisition value. Such inventory should be recorded in the Capital Assets Ledger. A complete inventory should be taken every year for good internal control and for verifying account balances carried in the accounting records. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

SERVICE AND TIME RECORDS

Employee time and service records were not maintained for the Town Marshal. A similar comment appeared in the prior Report B26728.

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

PUBLIC PURCHASES LAW

The Town entered into a lease-purchase agreement to purchase a Toyne Pumper/Tanker Fire Truck. The original cost was \$198,900; however, evidence that bids were solicited was not presented for examination.

Indiana Code 5-22-7-8 states: "A contract must be awarded with reasonable promptness by written notice to the lowest responsible and responsive bidder."

TOWN OF ATLANTA
EXIT CONFERENCE

The contents of this report were discussed on October 16, 2008, with Robyn Emmert, Clerk-Treasurer; Jai Cook, Town Marshal; and Steven A. Emmert, President of the Town Council.